

IHOP—WEST VALLEY CITY

3383 DECKER LAKE DRIVE // WEST VALLEY CITY, UTAH



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EXECUTIVE SUMMARY



IHOP—WEST VALLEY CITY // IHOP—WEST VALLEY CITY //

EXECUTIVE SUMMARY

OVERVIEW

The investment opportunity is a 3,932 square foot IHOP restaurant located in West Valley City, UT. The offering has **7 years remaining on the initial term of an absolute triple net (NNN) lease** which is **guaranteed by Dine Brands Global (NYSE: DIN) – a publicly traded food and beverage company founded in 1958 as IHOP.** The 20-year initial lease term began on September 30, 2007, and includes three 5-year Option Terms.

The property is located in a core Salt Lake metro location, adjacent to numerous hotels, restaurants and other retail amenities. Surrounding hotels include Country Inn & Suites, Crystal Inn, Extended Stay America and Comfort Inn – all within a 1-minute walk of the property. In addition, this IHOP location is adjacent to the 12,600 seat Maverik Center arena. With a strong brand and solid real estate location, this is a premier investment opportunity with long term stability and cash flow.



EXECUTIVE SUMMARY



TENANT HIGHLIGHTS



- Rent guaranteed by publicly traded Dine Brands Global
- Dine has over 3,600 locations in 17 countries
- Internationally known IHOP brand opened in 1958

LEASE STRUCTURES

25 YEAR

base term began in September 2007

- Absolute Triple Net
- No landlord obligations

THREE 5-YEAR

renewal options with 10% rental increases

REAL ESTATE ANALYSIS



34,265 ADT

Excellent traffic counts on Decker Lake Drive & 3500 South



CORE LOCATION

Strong Trade Area



EASY ACCESS

Direct access to major freeways and public transportation

PROPERTY OVERVIEW



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PROPERTY OVERVIEW

3383 DECKER LAKE DRIVE // WEST VALLEY CITY, UT 84119

Building Size: 3,932 square feet

Lot Size: 1.03 acres

Zoning: Commercial

Year Built: 2000/2007 effective

Asking Price: \$3,295,000

2021 Cap Rate: 6.24%

LEASE SUMMARY

Rent Commencement: September 30, 2007

Initial Lease Expiration: September 30, 2027

Renewal Option Terms: Three 5-year Options

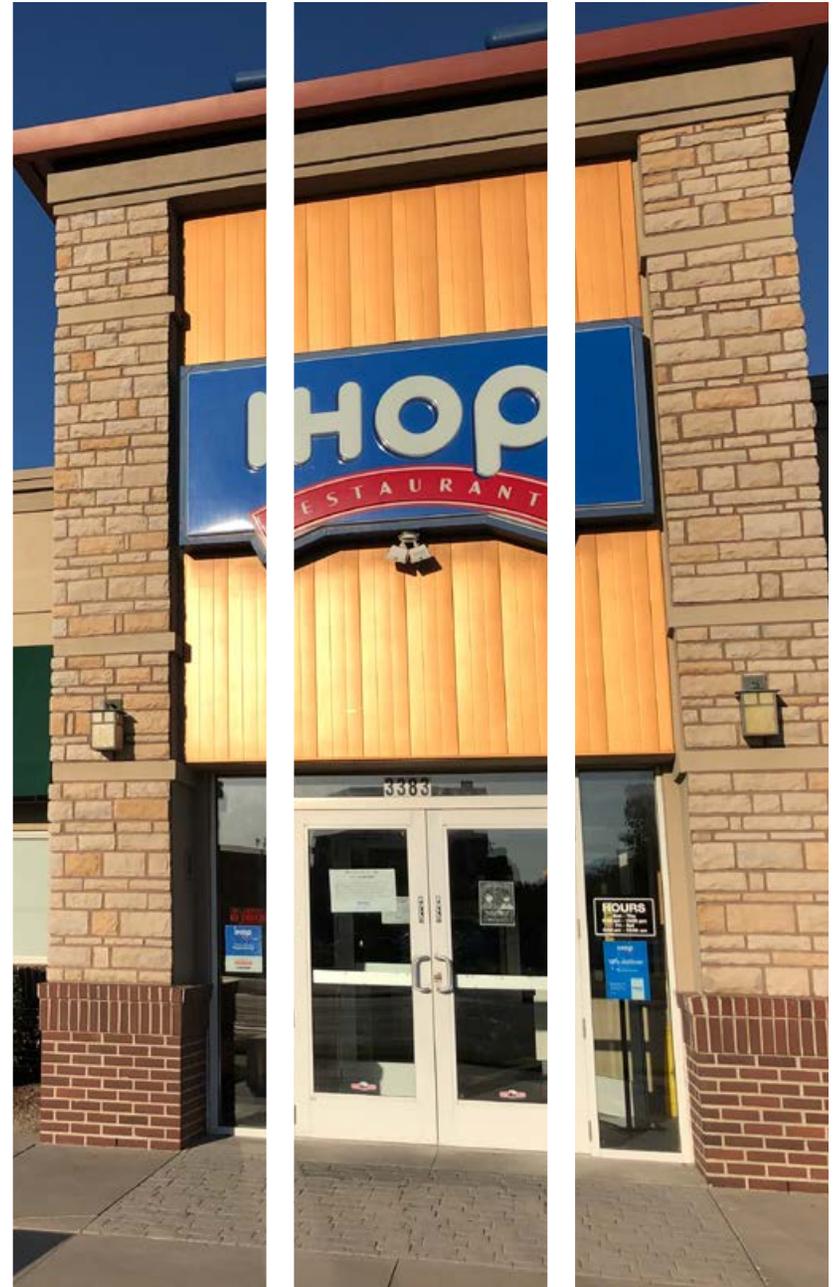
Rent Increase Amount: 10.0%

Lease Type: Absolute Triple Net (NNN)

Guarantee: Corporate lease guarantee

REMAINING INITIAL TERM	AVG. MONTHLY	ANNUAL	CAP RATE
2021*	\$17,123	\$205,476	6.24%
2022	\$16,202	\$194,424	5.90%
2023 - September 2027	\$17,388	\$208,650	6.33%
OPTION TERMS			
October 2027 - September 2032	\$19,126	\$229,515	6.97%
October 2032 - September 2037	\$21,039	\$252,467	7.66%
October 2036 - September 2042	\$23,143	\$277,714	8.43%

*Average monthly rent including repayment of May & June 2020 rent deferral



TENANT OVERVIEW

IHOP—WEST VALLEY CITY

For 60 years, the IHOP® family restaurant chain has served world-famous pancakes and a wide variety of breakfast, lunch and dinner items that are loved by people of all ages - offering an affordable, everyday dining experience with warm and friendly service.

IHOP INTERNATIONAL

International House of Pancakes® was founded in 1958 by Al and Jerry Lapin. The restaurant first opened its doors in the suburbs of Los Angeles. Fifteen years later, a new marketing campaign introduced the acronym “IHOP”, and since then it’s been the name people know it by. In 1960 the company began expanding through franchising and in 1961 became a publicly traded company under the name International House of Pancakes. In 2001 the 1,000th IHOP opens in Layton, Utah. In November of 2007, IHOP Corp.

successfully completed the acquisition of Applebee’s International, Inc. With more than 3,300 restaurants, the combination brings together two leading restaurant brands and creates the largest full-service restaurant company in the world.

At the national level, IHOP® Restaurant’s designated charitable cause is helping seriously ill and injured children through the support of Children’s Miracle Network Hospitals and other local charities. Each year, IHOP hosts National Pancake Day, a nationwide fundraiser to benefit children’s hospitals in the communities. The primary beneficiary of IHOP® Restaurant’s national philanthropic event is Children’s Miracle Network Hospitals. In 2015, IHOP restaurants celebrated a decade of giving with the 10th Annual National Pancake day. A record-breaking \$3.5 million was raised — bringing its fundraising total to almost \$20 million since the event was created.



AREA OVERVIEW



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AREA OVERVIEW: WEST VALLEY CITY

BOOM IN BUSINESS DEVELOPMENT

In 2002, when Utah hosted the XIX Olympic Winter Games, West Valley City hosted various Olympic hockey events. An economic boom followed, resulting in the construction of the Maverik Center, one of Utah's major venues for concerts and touring productions, and the redevelopment of the entire area surrounding the arena.

Business parks like the new Soleil Technology Park, as well as Lake Park Corporate Center, West Ridge Commerce Park, Decker Lake Business District, and Metro Business Park include corporate headquarters, regional offices, and world-wide distribution centers for Companies like Verizon Wireless, Frito Lay, Backcountry.com, United Parcel Service (UPS), and Discover Card.

Additionally, Valley Fair Mall, located in the heart of the city, has undergone a complete redevelopment, and an all-new transit-oriented development, Fairbourne Station, was built.

POPULATION GROWTH

With a population of more than 135,500 residents, West Valley City is the second largest city in Utah. The median age is 30.4 with a median household income of \$59,954. Between 2016 and 2017 the population of West Valley City, UT grew from 134,609 to 135,546, a 0.67% increase and its median household income grew from \$55,933 to \$59,954, a 7.19% increase. The median property value in West Valley City, UT is \$182,100, and the homeownership rate is 68.4%. Most people in West Valley City, UT commute by driving alone with the average commute time of 21.3 minutes.



Population trends & key indicators

3383 Decker Lake Dr, West Valley City, Utah, 84119 | 1 mile radius



21,023	7,186	2.92	29.3	\$51,124	\$191,767	54	149	84
Population	Households	Avg size household	Median age	Median household income	Median home value	Wealth index	Housing affordability	Diversity index

Mortgage indicators



\$6,701

Avg spent on mortgage & basics



15.7%

Percent of income for mortgage

Population by generation



3.3%

Greatest gen: born 1945/earlier



12.4%

Baby boomer: born 1946 to 1964



17.2%

Generation x: born 1965 to 1980



29.9%

Millennial: born 1981 to 1998



29.4%

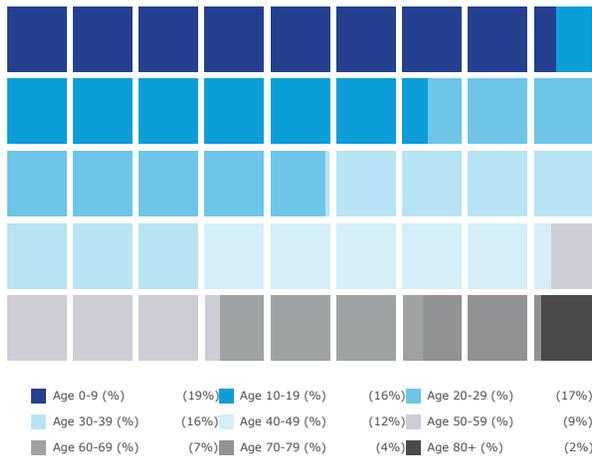
Generation z: born 1999 to 2016



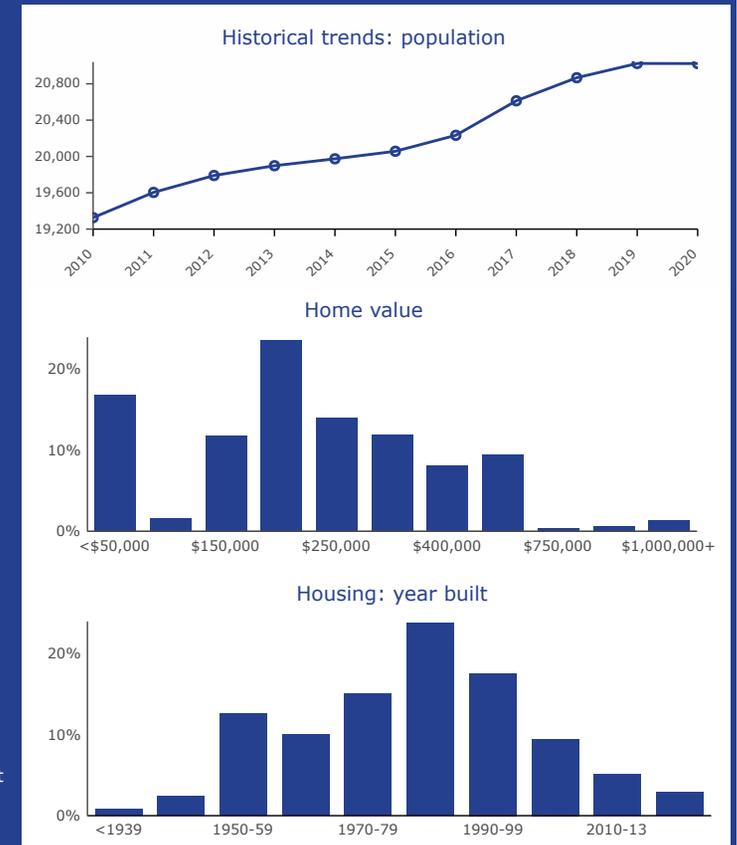
7.9%

Alpha: born 2017 to present

Population by age



U.S. Census Bureau, Esri forecasts for 2020 and 2025, Esri Vintage 2020 Time Series



MARKET POTENTIAL: EXPECTED NUMBER OF ADULTS AT A FAMILY RESTAURANT/6 MONTHS



5 MILE RADIUS

29,392

10 MILE RADIUS

78,545

15 MILE RADIUS

104,102



AERIAL MAP



WHY UTAH?

UTAH PROVIDES A HIGH QUALITY OF LIFE

Utah is a national leader in **high job employment, low cost of doing business, and talented labor**. Utah regularly tops rankings among best states for **business, careers, living, health, and quality of life**. Utah provides an array of employment opportunities in various industries, and offers its residents numerous lifestyle options that range from quiet rural settings to thriving urban centers.

Most of Utah's population resides along **The Wasatch Front**, roughly 150 miles of contiguous cities and communities, running predominantly north-south along the I-15 corridor and the western slope of the Wasatch Mountain range, from Brigham City to Nephi.

Utah is world-renowned for its bounty of **public lands and recreation opportunities** ranging from mountain wilderness to desert landscapes. Utah has five national parks, six national forests, numerous state parks and recreation areas, and over a dozen ski resorts.

Utah is a geographically diverse state, encompassing a **convergence of three distinct geological regions**: the Rocky Mountains, the Great Basin, and the Colorado Plateau.

The beehive is the state symbol of Utah. The Mormon settlers used the symbol to represent **hard work and industriousness**. The beehive is where all workers cooperate in the construction of something much bigger than themselves, as a model for properly run society.



UTAH STATS



Utah is a
Young & High-Growth
State

ONE OF THE FASTEST
GROWING STATES IN THE U.S.
15.2%
POPULATION INCREASE
2010-2018
(ESRI BAO)

MEDIAN AGE OF
30.6
THE YOUNGEST STATE IN
THE U.S. BY MEDIAN AGE
(ESRI BAO)

THERE ARE MORE THAN
420
THOUSAND
MORE PEOPLE IN UTAH
THAN THERE WERE IN 2010
(ESRI BAO)



The
Economic Conditions
in Utah are Great

RANKED
2nd
BEST STATE FOR
OVERALL ECONOMY
(U.S. NEWS: BEST
STATES RANKING)

UTAH NAMED
#2
BEST STATE
FOR BUSINESS
IN 2018
(FORBES)

RANKED
4th
BEST STATE FOR
VENTURE CAPITAL
(U.S. NEWS: BEST
STATES RANKING)



Utah boasts a Highly
Educated & Skilled
Workforce

MORE THAN
35
HIGHER EDUCATION
INSTITUTIONS IN UTAH
(NATIONAL DATABASE
OF SCHOLARSHIPS)

48%
OF UTAHNS HAVE
OBTAINED POSTSECONDARY
CERTIFICATES OR DEGREES
(UTAH.GOV)

OVER
69
THOUSAND
DEGREES AWARDED
IN 2015
(DATAUSA.IO)



Opportunities for
Jobs & Careers
in Utah are Plentiful

AMONG THE TOP STATES
IN THE U.S. FOR JOB GROWTH
3.6%
UTAH'S JOB GROWTH RATE
2017-2018
(U.S. BUREAU OF
LABOR STATISTICS)

UTAH IS EXPERINCING
OVERWHELMING JOB GROWTH IN
**CONSTRUCTION,
FINANCIAL,
HEALTH &
TECHNOLOGY**
SECTORS
(UTAH.GOV)

ABOUT
48
THOUSAND
JOBS ADDED TO
UTAH'S ECONOMY IN 2018
(UNIVERSITY OF UTAH)



Utah contains a
Multilingual
Population

OVER
120
LANGUAGES
SPOKEN IN UTAH
(DESERET NEWS)

ABOUT
15%
OF UTAH RESIDENTS SPEAK
A LANGUAGE OTHER
THAN ENGLISH AT HOME
(THE SALT LAKE TRIBUNE)

MORE THAN
246
THOUSAND
SPANISH SPEAKERS
(U.S. CENSUS BUREAU)

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